United States Bankruptcy Court Southern District of Texas

#### **ENTERED**

March 01, 2024 Nathan Ochsner, Clerk

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§	Case No.: 23-90147
	§	(Jointly Administered)
	§	
MOUNTAIN EXPRESS OIL COMPANY,	§	Chapter 7
et al. <sup>1</sup>	§	
	§	
Debtors.	§	

STIPULATION AND AGREED ORDER REGARDING AMENDED FIRST AND FINAL APPLICATION OF AKERMAN LLP FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED AS SPECIAL ENVIRONMENTAL COUNSEL TO THE DEBTORS FOR THE PERIOD FROM JUNE 9, 2023 THROUGH JULY 31, 2023

[Related to Docket No. 1718]

Janet S. Northrup, the Chapter 7 Trustee (the "Trustee") of the jointly administered bankruptcy estates of Mountain Express Oil Company and affiliated debtors (collectively, the "Debtors") in the above-styled jointly administered chapter 7 cases and Akerman LLP ("Akerman"), by their undersigned counsel, hereby enter into this stipulation and agreed order (the "Agreed Order") regarding the Amended First and Final Application for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Special Environmental Counsel to the Debtors for the period from June 9, 2023, through July 31, 2023 [Docket No. 1718] (the "Application"), as set forth below.

# **RECITALS**

WHEREAS, on April 25, 2023, the Court entered the Final Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364 and 507, Bankruptcy Rules 2002, 4001, 6004 and 9014, and Local Rule 4001-1 (I) Authorizing the Debtors to Use Cash Collateral and Obtain Post-Petition Financing, (II)

<sup>&</sup>lt;sup>1</sup> A complete list of each of the Debtors in these Chapter 7 Cases may be obtained on the website of the Debtors' claims and noticing agent at www.kccllc.net/mountainexpressoil.

Granting Liens and Providing Super-Priority Administrative Expense Status, (III) Granting Adequate Protection, and (IV) Granting Related Relief (the "Final DIP Order") [Docket No. 332]. The Final DIP Order included a "Carve-Out" from the DIP Lenders' collateral for fees and expenses incurred by certain chapter 11 professionals up to the amounts contained in the approved budget. Pursuant to the terms of the Final DIP Order, the Carve-Out funds for the chapter 11 professionals were to be held in escrow by Pachulski Stang Ziehl & Jones LLP ("Pachulski"), former counsel for the above-captioned Debtors.

WHEREAS, on October 3, 2023, Pachulski filed the Motion Of Former Counsel For The Debtors For Entry Of An Order Authorizing The Payment Of Estate Professionals' Fees Pursuant To Final Dip Order And Professional Fee Order (the "Reserve Distribution Motion") [Docket No. 1519]. According to the Distribution Motion, Pachulski is currently holding \$187,500.00 in escrow for the benefit of Akerman.

**WHEREAS**, on November 15, 2023, Akerman filed its Application seeking final allowance of \$100,755.50 as fees for services rendered and \$0.00 as reimbursement of expenses for the period from June 9, 2023 through July 31, 2023.

WHEREAS, the Court entered an Order Extending Scheduling Deadlines and Rescheduling of Electronic Hearing in Connection with Chapter 11 Final Fee Applications and Reserve Distribution Motion [Docket No. 1926], which set deadline to file objections to the Application and the Reserve Distribution Motion for the Trustee on February 29, 2024.

**WHEREAS**, the Trustee and Akerman desire to resolve any and all issues and objections to the Application.

# NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, AND UPON APPROVAL BY THE COURT OF THIS STIPULATION AND ORDER, IT IS SO ORDERED AS FOLLOWS:

- 1. The above recitals are incorporated by reference herein with the same force and effect as if full set forth hereinafter.
- 2. The Court has jurisdiction over the Application pursuant to 28 U.S.C. §§ 157 and 1334.
- 3. The consideration of the Application is a core proceeding pursuant to 28 U.S.C. §157.
- 4. Notice of the Application was appropriate and no other or further notice of the Application need be given.
- 5. Akerman's Application is given final approval in the reduced amount of \$99,488.00 in professional and paraprofessional fees for the period covered by the Application.
- 6. Within three (3) business days of entry of this Agreed Order, Pachulski shall transfer by wire pursuant to written wire transfer instructions provided to Pachulski by the Trustee, \$187,500.00 which represents all amounts Pachulski is holding in its trust account for the benefit of Akerman pursuant to the terms of the Final DIP Order.
- 7. Within ten (10) days of receipt of the funds from Pachulski, the Trustee must pay Akerman \$99,488.00 as final payment of the Application.
- 8. Upon payment of Akerman, the remaining balance of \$88,012.00 shall no longer be considered part of the Carve-Out as defined in the Final DIP Order.

- 9. Notwithstanding anything in the Bankruptcy Code or the Bankruptcy Rules to the contrary, the terms and conditions of this Agreed Order shall be effective and enforceable immediately upon entry.
- 10. This Court retains exclusive jurisdiction and power with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Signed: March 01, 2024

Chief United States Bankruptcy Judge

#### AGREED AS TO FORM AND CONTENT:

# AKERMAN LLP

/s/ R. Adam Swick

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Former Special Environmental Counsel to the

**Debtors and Debtors in Possession** 

#### McCLOSKEY ROBERSON WOOLLEY PLLC

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Special Counsel for Janet Northrup, Chapter 7 Trustee

# AGREED (as to paragraph 6):

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**Former Counsel to the Debtors**